

**ARIZONA STATE PARKS BOARD
SMITH BUILDING, BOYCE THOMPSON ARBORETUM
37615 E. HIGHWAY 60, SUPERIOR, AZ
APRIL 23, 2003
MINUTES**

Board Members present:

Suzanne Pfister, Chairman
John Hays
Walter Armer
William Porter (arrived at 1:40 p.m.)
Elizabeth Stewart
Gabriel Gonzales-Beechum
Mark Winkleman (arrived at 1:10 p.m.)

Staff present:

Kenneth E. Travous, Executive Director
Jay Ream, Assistant Director, Parks
Mark Siegwarth, Assistant Director, Administrative Services
Debi Busser, Executive Secretary
Andrea Madonna, Chief of Grants
Janet Hawks, Chief of Operations
Jean Emery, Chief, Resources Management

Attorney General's Representative:

Joy Hernbrode, Assistant Attorney General

A. CALL TO ORDER - ROLL CALL

Chairman Pfister called the meeting to order at 1:00 p.m. Roll Call of Board Members indicated a quorum was present.

B. INTRODUCTION OF GUESTS

The Parks Board, staff, and guests introduced themselves.

C. JOINT DISCUSSIONS BETWEEN BOARD OF THE BOYCE THOMPSON ARBORETUM AND THE ARIZONA STATE PARKS BOARD ON ISSUES OF COMMON INTEREST

The following members of the Boyce Thompson Arboretum Board of Directors were in attendance Collin Kaltebach (University of Arizona), Bill Feldman (Managing Director of the Boyce Thompson Arboretum), Chris Hohenlohe, Sam Applewhite (Chairman of the Arboretum Board) and Mary Irish.

Chairman Pfister thanked the members of the Boyce Thompson Arboretum (BTA) Board for hosting the Parks Board at BTA.

Mr. Ream welcomed everyone to BTA. He stated he, along with Mr. Charles Eatherly, represents Arizona State Parks (ASP) on the BTA Board per an agreement reached in 1974. He noted that Colonel Boyce Thompson founded the BTA in 1920. The BTA has been cooperatively managed since 1974 with the University of Arizona (UA), the Boyce Thompson Foundation, and the ASP Board. ASP employees at BTA include Mr. Ray Dion and a temporary employee, for a total of 1.5 FTE committed to this park. ASP commits approximately \$47,000 in operating money, which totals a yearly commitment of

approximately \$75,000-\$80,000 per year, or about 5% of their total operating costs. He noted that Mr. Dion has been with BTA since 1988-89.

Mr. Ream noted that both the BTA and the ASP Boards have common issues they must deal with. Both boards are under the budget gun (ASP Board as ASP, BTA as a state park, and as the UA). BTA Board is also realizing the same types of visitation as the ASP Board is experiencing. The BTA visitation in 1993 was 94,000 people; this year it is about 72,000 people. Such a drop in gate fees has an impact on the operation of this park.

Mr. Feldman stated that the BTA is governed by a Board of Directors that includes members from the UA and ASP. Their Board also has a committee structure that includes a Planning Committee, Development Committee, Program Committee, Finance Committee, and Governance Committee. Their Board will meet on Thursday and Friday. They meet twice a year.

Mr. Feldman noted that the BTA owns 325 acres. There is an adjacent area that is a Special Use area that includes Arnett Canyon. Arnett Canyon is part of the Arnett Telegraph Complex that encompasses between 800-1000 acres that the Forest Service owns for which BTA has a Special Use Program on.

Mr. Feldman added that ASP and UA are two state agencies that, together, account for approximately 15% of the project. There is an endowment that has been shrinking steadily for the past two years. It produces about 15-20% of BTA's income. They raise 50-65% of the income locally, depending on the year, from gate admissions (\$6 / adult; \$2 / children under 12), bookstore and plant sales (\$250,000 gross), and a membership program (approximately \$8,000 / year in membership fees). When all is said and done it comes to about half of what is needed. The non-capital budget presently is about \$1.2 million. The capital budget fluctuates and is about \$250,000. They operate with about 23 FTEs and 30 people total when part-time staff is included. With the exception of Mr. Dion and the clerk, all are UA employees.

Mr. Ream added that the common things that run with any park run with this park. Because it is such a large park it requires a great deal of maintenance of all the various gardens. While BTA has many of the same problems as ASP faces, they have some solutions that ASP does not. They are not bounded, through their foundation, with all the procurement rules ASP must follow in expending public money on capital projects.

1. Possible Joint Efforts or Partnerships

Mr. Ream noted there are efforts to consolidate marketing and public relations. ASP includes BTA's special events in its monthly calendar. While the cooperation has been close, it could get better. There may be opportunities to increase that partnership.

Mr. Ream noted that about a year-and-a-half ago the possible purchase of the Picket Post House (Colonel Boyce Thompson's house) was brought before the ASP Board. The house is held by a private group and was offered up for sale. The owners were not sure of their price. The ASP Board became quite excited; the BTA Board was excited. Then the price came in at approximately \$3 million; the property may be worth \$1 million. An attempt was made in 1988 to purchase the house, but even then the price was too high.

Mr. Hays noted that when the owners discovered the state was interested in purchasing it the asking price increased considerably. He asked what is being done with the house now.

Mr. Ream responded he understood the owners are fixing up the house and are talking about turning it into some sort of public venue.

Mr. Travous added that an appraisal was done in 1988 that came in at \$800,000. The owners saw that ASP was appropriated for \$3.6 million (the money for Slide Rock State Park). Their asking price became that \$3.6 million. State ownership of that house was the dream of Senator Hart when he represented this area. Since 1988 there have been other developments below the house.

Mr. Feldman added that there are 37 acres that come with the house. He believes there will be an impact when the by-pass highway comes through. That house will be on a dead-end extension. That may be to BTA's benefit. He doesn't know what that project does to the owners' plans.

Chairman Pfister asked if the BTA Board had any ideas on ways to either partner more specifically or enhance the existing partnerships in regard to marketing.

Mr. Applewhite responded that the parties need to strengthen what they already have. He complimented Mr. Dion, the Park Manager, who has been invaluable, has done an excellent job, and has saved BTA by the work he does. These other things all take time. BTA's remoteness is a problem. The focus here is different from that in a big city.

Mr. Ream added that there are areas that could be strengthened. It has always been that, particularly during the more difficult times, BTA has been the last park on the agency's list to grow in support from the ASP Board. The main reason is that they have other means of getting revenue. ASP has not had extra money or staff since 1993. About a year-and-a-half ago ASP did receive 12 new FTE positions, but because of shortages everywhere else none of those FTEs found their way to this park. Staff had hoped that in 2002 there would be more flexibility with operating funds to increase ASP's operating posture at this park, including use of some capital funds for BTA. That capital money disappeared in a number of legislative Special Sessions last year. BTA does have infrastructure problems and were under-the-gun by ADEQ for not having a sewage treatment plant. Those regulations have since been relaxed and it is no longer so important.

Mr. Dion added that BTA was never really told they had to put in a sewage treatment plant. Staff were doing some "forward thinking". Some of the septic systems are old. They were looking into the future and contracted with a company to assist in the process to determine what would be the best thing to do. They are still in the process of trying to develop their long-term plan. Under the current ADEQ regime, BTA is completely within the means to stay with the current system. They do, however, want to look to the future.

Mr. Applewhite stated that he wanted to point out how much BTA relies on donated services from their partners in the Tripartite Agreement between the ASP Board, UA, and the Boyce Thompson Corporation. The Boyce Thompson Institute provides them with a lot of their accounting services, management, operating accounts, etc. If it were not for what they receive from the UA and ASP Board, they would have to expend several hundred thousand dollars more per year than they do now. He doesn't know how BTA would operate without their partners.

Mr. Armer noted the UA is encountering the same problems as ASP and every other state agency and asked how confident BTA is that that level of support will remain in the short term.

Mr. Applewhite responded that he believed BTA would be OK.

Chairman Pfister asked if any of the research conducted at BTA could be considered biotech.

Mr. Applewhite responded that it is somewhat on the edge in that regard. BTA does have a Research Committee. While most of what is done at BTA is applied, one of the UA faculty who is on the Research Committee is into more basic research. He does not foresee any real problems unless things get a lot worse than they are now.

Chairman Pfister noted there is another partnership involved with BTA. In addition to the ASP Board, she sits on the Board of the Arizona Trail Association. The Picket Post Trailhead received a grant. BTA has been very helpful in assisting people hiking through and equestrians. That has been a very good partnership because the trailhead is so close.

Ms. Irish (BTA) added that there are a lot of opportunities for more partnerships through the Interpretative Educational visitor line. BTA participates in ASP's Jr. Ranger program, and it is a terrific program. She believes there is an open world in those kinds of activities. That is the only partnership she knows of that is formally established. There is a lot of room to grow, especially with trailheads and as a destination along the trailhead. Some very good projects are coming along that way.

Chairman Pfister noted that the ASP Board has met jointly with the Arizona State Historical Society and made commitments on a Director-to-Director level to come up with a laundry list and work through what can be worked through. She asked what more might the ASP Board might do with the BTA Board.

Mr. Ream responded his idea for these two boards to meet came from some of the joint meetings the ASP Board has had earlier. It was to get these two boards together. If nothing else, it sets a precedent for these two boards to meet if not once a year then perhaps once every other year. While everyone on both boards knows someone on the other, they did not necessarily realize they had this commonality at BTA. BTA is a real jewel and tourist destination. It is a feather-in-the-cap for ASP Board to be affiliated with an organization like this. He wanted that to be known to the ASP Board by getting them out to BTA and he wanted the BTA Board to recognize the issues the ASP Board is dealing with during these budget times. While the ASP Board would love to help, it is not possible at this time.

Mr. Applewhite added that Mr. Ream is correct when he states BTA is a jewel. It is frustrating to not be able to get more people out here to enjoy it. He has yet to talk to anyone who has visited this park who did not thoroughly enjoy it. It is 90 miles from nowhere sometimes. Just getting people motivated to come seems to be the most difficult thing. He believes the new highway will help. Any assistance in publicity or marketing would be beneficial. No one leaves this park disappointed.

Chairman Pfister asked if BTA gets good participation from BHP.

Mr. Feldman responded BHP was marginally helpful. Their mine use here is being sold to Rio Tinto, a London-based outfit who purchased Kennecott. About three years ago Kennecott Exploration came in to explore the area to the south of Number 9. They have been quite happy with what they found in the ground. They have been quite cooperative with BTA. They are a sole paying corporate member and have been funding BTA's new education center. BTA has received \$10,000 from Rio Tinto and has given 3/4 of that to the Superior schools for their John F. Kennedy Environmental Club to come out every Thursday

afternoon to spend 1 1/2 hour at the park. They have been having a very good time. BTA is also set to talk with representatives from the mining company about the question of performing research that would help them deal with some of their issues. Rio Tinto is probably one of the better companies. He does not believe BHP will be here much longer. He does believe BTA will have a very good relationship with the new group that is coming in.

2. Cooperative Marketing

Mr. Ream noted there are efforts to consolidate marketing and public relations. ASP includes BTA's special events in its monthly calendar. While the cooperation has been close, it could get better.

Mr. Travous noted that the Tourism Department, in view of the probability of losing "fly-in" traffic, is currently looking at a campaign that would be a "Stay At Home" and things to do here to capture state visitation. Their Marketing and PIO staff will meet next month with ASP's Marketing and PIO staff to brainstorm ideas. ASP staff could work with BTA on getting the "hard" news and the "soft news" out about BTA.

Mr. Travous added that he believes it helps in marketing ASP to be associated with such real nice place as BTA. Another really nice thing that goes on here is that a relationship exists that doesn't require staff to go back and look at the letter of the agreement. This relationship has existed long enough that the tripartite agreement continues to renew without contention. Each party works hard for the best interests of the others. It is a very nice relationship.

Mr. Feldman noted one thing the ASP Board could do would be to assist in identifying marketing issues such as why is their visitation down 70% while other parks' visitations are down 40%. They have a difficult time with perceptions and figuring out exactly what makes BTA attractive.

Ms. Stewart noted that, in terms of marketing, ASP has discussed putting something on the Website (and perhaps eventually in brochures) that talks about different parks that would appeal to certain interest groups. For those whose interests lie in the more natural areas there are the Verde Greenway and Sonoita Creek. If there was information about each other's facilities at those locations, while they may be geographically far away, there may well be people who are interested in certain things who will travel. One marketing possibility might be setting up links on the Website that list those places that are good for equestrians, those that are good for birders, those that are good for viewing the night sky, schedules of events at those places, etc.

Ms. Stewart also noted that in the past when working mines created environmental damage they had to pay some mitigation money. It may be worth putting the thought in Rio Tinto's minds that BTA would be a good place to put that money if they find themselves in that position in the future so that they think first of BTA.

3. Volunteer Groups

Mr. Feldman stated that, for the last two years, BTA has had a volunteer coordinator. They have between 60-70 volunteers. They have a Volunteer Host, someone who stays the winter. They had five couples act as Volunteer Host this year. They assist at the Contact Station, conduct tours, and maintenance. There is also a volunteer cadre of people who

come from the area. Being a rural area, they need to drive some distance. Now that they have a coordinator dedicated to this effort, it is coming along quite well.

Ms. Stewart noted that she heard that at one time BTA was thinking about having a train that would bring people to the park.

Mr. Feldman responded that there is a railroad that comes here. It is a real train. He's not sure that any discussions have been held about bringing it to BTA.

Ms. Stewart commented that what she had heard dealt with the possibility of BTA having parking on the other side of the road and it would ease the access for people getting across.

Mr. Feldman responded that the relocation of Highway 60 will increase the need for a bridge. There is not enough parking available on this side of the road.

Mr. Armer asked where US 60 will go.

Mr. Feldman responded it will go between two small hills by the rail tracks. There has been discussion among others that this could be a way to bring people to the park without having a need for parking. The BTA Board has never discussed it. It would make a nice tourist road, but he doesn't know of anyone who would have enough money to develop it properly.

4. BTA-Arizona State Parks Board University of Arizona Agreement

D. PUBLIC COMMENT

No member of the public present wished to present comments to the Board.

E. CONSENT AGENDA

- 1. Approve Minutes of March 20, 2003 State Parks Board Meeting**
- 2. Approve Minutes of Executive Session of the State Parks Board Meeting Held March 20, 2003**
- 3. Consider a Time Extension for Coconino County's Historic Preservation Heritage Fund Grant #649906 for the Courthouse Restoration** - Staff recommends extending the project end date for Historic Preservation Heritage Fund Grant #649906 for the Coconino county's Courthouse Restoration project by one year from January 12, 2003 to January 12, 2004. The Historic Preservation Advisory Committee unanimously concurred with this recommendation at their meeting on March 24, 2003.
- 4. Consider Amending Local, Regional and State Parks (LRSP) Heritage Fund Project #659801 - Gateway Park Acquisition and Development** - Staff recommends amending the scope of work for Sierra Vista LRSP Project #659801, Gateway Park Acquisition and Development, by deleting the lighted volleyball and basketball courts, two ramadas, and the materials and labor for wall murals. Staff also recommends reducing the grant award by \$34,642 to \$182,254, reducing the match to \$189,693, the total project cost to \$371,947, and extending the project ending date by 12 months to December 15, 2003. The Arizona Outdoor Recreation Coordinating Commission (AORCC) unanimously concurred with this recommendation on April 10, 2003.

Ms. Stewart requested that Item 4 be pulled from the Consent Agenda.

Mr. Armer made a motion to approve Consent Agenda Items 1, 2, and 3. Mr. Porter seconded the motion. The motion carried unanimously.

Chairman Pfister noted Item 4 is not the Agenda Item dealing with the rating criteria for certain Heritage Fund grants. This is the LRSP Heritage Fund Grant for Gateway Park Acquisition and Development. She did not know of any controversy on this issue and noted that AORCC did concur unanimously with this request.

Board Action

Mr. Armer: I move to amend the scope of work for Sierra Vista LRSP Project #659801, Gateway Park Acquisition and Development, by deleting the lighted volleyball and basketball courts, two ramadas; and the materials and labor for wall murals. I also move to reduce the grant award by \$34,642 to \$182,254, reduce the match to \$189,693, and the total project cost to \$371,947, and to extend the project ending date by 12 months to December 15, 2003.

Mr. Porter seconded the motion. The motion carried unanimously.

F. DIRECTOR'S REPORT

1. Gift from Mrs. Forrest to the Parks Board

Mr. Travous reported staff received a phone call from a Mr. Essenburg asking whether ASP would be willing to accept a gift. He met with Mr. and Mrs. Essenburg over lunch and was informed that a Mrs. Forrest, who passed away more than a year ago, wished to donate \$243,800 to ASP and an equal amount to California State Parks. A check in that amount is secured in the safe at the Phoenix office.

Mr. Travous added that a letter of thanks to Mr. and Mrs. Essenburg from the Board has been prepared for the Chairman's signature. The best he can tell is that Mr. and Mrs. Essenburg became very good friends with Mrs. Forrest. Mrs. Forrest became very ill and Mrs. Essenburg became her primary caretaker. He discussed with them over lunch what the Board could do with the money. He also spoke with the Chairman of the City of Hope about this donation. Her advice was to spend some time thinking about the best way to utilize this donation. Staff and the Board should come up with a menu of ideas. There should not be a feeling of obligation to do something right away. There should be an obligation to remain in contact with the executors of the will about what is being done. The other suggestion was to stick with the mission. There will be a lot of ideas from a lot of people on ways to spend this money. Whatever is ultimately done needs to be in line with the agency's mission and should be enduring.

Mr. Travous reported that there are no restrictions on this gift other than that it should not go to salaries. In future Board meetings staff will come before the Board with menus of ideas. He believes the Board needs to spend some time over the next months talking about this.

Mr. Armer suggested that the Board find out from the Essenburgs what Mrs. Forrest's interests may have been (hiking, camping, historic preservation, etc.) that would help the board key in on something that would be particularly meaningful to her.

Mr. Travous noted that Mrs. Forrest lived in Fountain Hills. It was not clear just what it was about ASP that she particularly liked. Mrs. Essenburg did say she thought it would be nice if the Board could do something with a group in Fountain Hills that does things relating to open space.

Mr. Porter noted that there is no way to know whether or not Mrs. Forrest ever even visited any of the parks in the system. He recounted a story of a woman in Mohave County who left \$600,000 to the museum up there and they don't know if she ever even walked through the doors. No one knows why she left that money to them, but the museum is grateful for the gift.

Mr. Hays suggested that if the wrong people find out about this gift the Board could find their budget cut by an additional \$250,000.

Ms. Stewart noted that a suggestion was made that whatever is done should be enduring. During the discussions of renaming Squaw Peak, one of the Piestewa family members said they did not believe renaming a building was appropriate because buildings don't last. A purchase of land is the most enduring thing. There are some areas that come to mind that are similar to that area around the Sonoita Creek and the Verde Greenway. If there is a desire to double the money, the Board might look at ways to match it with Growing Smarter since Mrs. Forrest was interested in open space. Some of the State Trust land around Kartchner Caverns State Park (KCSP) is eligible as well as some of the land around Lost Dutchman State Park. These would be examples of where a matching grant could increase the value of the gift to \$500,000.

2. Recommendation for Military Access to the Parks

Mr. Travous reported that the Governor issued an Executive Order (discussed at the Board's meeting in March) that requires ASP to look at either reduced or free entrance to the state parks for a group of military people (activated from the National Guard and the Reserves). Staff have spent time trying to figure out how many people may be involved and how the agency can meet the intent and spirit of what the Governor is trying to do and still pay attention to the bottom line. Staff do have a proposal for the Board. There is a time line that is not open-ended - from Memorial Day to Labor Day. It provides for free entrance to state parks to the Arizona Army and Air National Guard and the Reserve personnel in the Army, Navy, Air Force, and Marines, plus their immediate family. That brings the total eligible to about 3,000 people. Restrictions would be that some programs may require an additional fee (i.e., tour of KCSP); it would be day use only (does not apply to camping); they would have to show their military orders and military ID; and they must be in the same vehicle.

Mr. Travous estimated 3,000 families would use this program over the course of the summer. There happens to be an event going on next week or the following week where this can be announced to the military families so they know this is available to them. Additionally, there is a meeting tomorrow of the Friends of Kartchner Caverns State Park. He will propose to them that they provide money for these families for tours at KCSP.

Mr. Travous stated that, from a public relations standpoint, staff would like to have the Governor make the announcement with press releases.

Ms. Stewart noted something similar was done recently over Veterans Day. She seemed to remember reading that the cost was about \$70,000.

Mr. Travous responded the cost was about \$45,000. He noted that a free day at the parks was for everyone, whether they were veterans or not.

Ms. Stewart asked if staff anticipated lost revenues to be as high for this offering. She noted that at least two of the biggest weekends of the year fall in this timeline.

Mr. Travous responded that actually three of the biggest weekends fall in this timeline. Staff anticipate that there will be a percentage of those eligible who will use it and some won't use it at all. Staff also anticipate keeping track of the numbers and reporting back to the Governor's Office how much it cost ASP and request help getting that lost revenue back.

Mr. Porter asked if, in calculating those losses, staff are looking at lost gate revenues. He stated that, in truth, he suspects that a fair number of people who take advantage of this may very well have never come to any of the parks. He can't really say that ASP will be losing this as revenue. It is probably revenue the agency really never would have gotten.

Ms. Stewart responded that it depends on whether it's one of the parks where people are turned away. Then it has an impact.

Mr. Travous stated that the only park he would anticipate it would critically impact is Slide Rock State Park on July 4th where people are taking up parking spaces that are so restricted. He believes the other parks have the capacity generally built into them. There won't be camping involved since it is for day use only.

Ms. Stewart asked if there are any military facilities very close to Slide Rock State Park.

Mr. Travous responded that there are some in Flagstaff.

Mr. Armer pointed out that there are reserve and guard units in every town in Arizona. He asked exactly whom this would cover.

Mr. Travous responded it would be for deployed Army National Guard and reservists for the Army, Navy, Air Force, and Marines plus their immediate family.

Ms. Stewart noted that it is not then reservists who are doing their regular jobs.

Mr. Armer noted it would be those who have been activated and deployed.

Mr. Travous added they would have to present the proper papers along with their deployment orders. Staff will ensure that when the announcement is made they are reminded of those facts.

Chairman Pfister asked if formal Board action is required.

Mr. Travous responded that formal Board action is not required because he does have the authority to approve special promotions. If the Board wishes to endorse this action it would be a nice touch.

Board Action

Mr. Porter: I move that free entrance will be granted to all state parks to the Arizona Army and Air National Guard and the Reserve personnel in the Army, Navy, Air Force, and Marines who have been deployed to active duty, plus their immediate families as discussed by the Executive Director.

Mr. Armer seconded the motion. The motion carried unanimously.

G. PARTNERSHIPS AND EXTERNAL AFFAIRS

1. Section report

Legislative Report

Chairman Pfister noted that Mr. Ziemann has been called for Jury Duty.

Ms. Madonna reported that the Governor did sign the ASP Continuation Bill giving the agency life for 10 more years.

Ms. Madonna reported HB 2328, Parks Income Tax Check Off, is currently stalled in the Senate. They are currently looking for a Striker Bill to put it into.

Ms. Stewart asked if the bill is stalled because of what it does or something else contained in the bill.

Ms. Madonna responded she did not know, but would provide the Board with that information.

Chairman Pfister stated that is something she would feel comfortable letting her E-Mail network know about. She requested details be provided to the Board as to who needs to be contacted to try to "unstick" it.

Ms. Madonna reported SB 1071 is a Striker Bill where the transfer of the Growing Smarter Open Space Reserve Program to the Department of Agriculture was placed. It passed the Senate but must now go back to Conference Committee. The Governor wants to insert more language requiring more public involvement in the process of developing the rating criteria. That amendment will be part of the Conference Committee. No members have been named to the Conference Committee. It does appear that it will get through the process.

Chairman Pfister noted there are a lot of bills that are dead or failed.

Mr. Hays asked if HB 2024 is the bill the Board opposed.

Chairman Pfister responded the Board went on record opposing HB 2018.

Research and Marketing Promotions

Ms. Krug reported the Military Promotion that was included in the Board packet was written prior to a meeting with the Executive Director. The promotion the Board just approved is the one that will be offered rather than the promotion described in the Board packet.

Update on the Status of Off-Highway Vehicle Recreation Fund Grants and Agreements

Ms. Madonna reported the Board has received several updates to materials that were included in the Board packet, including an update to the OHV Recreation Fund Project Status. The format was changed to make it easier to review the information. This section report is strictly for informational purposes to update the Board on what staff have been working on since the March Board meeting. Information is still being gathered regarding the situations the grant applicants find themselves in.

Chairman Pfister asked if the Board has the ability to pay the payment requests.

Mr. Siegwarth responded that staff met with the Governor's Office, who were very supportive. He believes they feel that paying the amounts requested to date is a good thing.

They are working on making that happen. Until the 2004 budget is actually settled, it will still be somewhat up in the air. They are very supportive and said they will work very hard on making that happen.

Chairman Pfister asked if the \$1,001,933.35 is the amount being discussed.

Mr. Siegwarth responded affirmatively. The balance of unexpended grant funds (\$1.075 million) is up in the air for a couple of reasons. One reason is that staff need to wait to see how much we get back from the cancelled IGAs/ISAs. Another reason is that revenue was down a little bit last month (as expected). Staff need to see what will be done in the 2004 budget. After those concerns are answered staff can probably come back to the Board with plans of action and perhaps some legal ramifications of each of those plans. Right now, staff are very hopeful that there will be a way to pay the \$1 million that has been expended.

Chairman Pfister noted she received a letter from Mr. Steven Anderson regarding interest they have been accruing on their expended funds. He questioned whether the Board will pay that interest.

Ms. Stewart asked if staff have heard from any of the grant awardees indicating they want to terminate or that they did not anticipate completing their projects.

Ms. Madonna responded that the Board has a document that summarizes responses from the various OHV participants on three options. One option was to terminate with no further grant reimbursements; there were no takers. The other options were to have their projects terminated with the possibility of receiving reimbursement for expenses incurred prior to March 21, 2003 or to keep their projects in suspension mode in exchange for some kind of release of liability against ASP in the hope funding would be available in the future. The participants opted for one or the other of those last two options. There was also a column on the handout showing outstanding issues.

Mr. Travous noted he had a discussion a day or so ago with Mr. John Magee, Coronado National Forest. It was a pleasant conversation. The point he wished to have conveyed to the Board was that they have done everything the Board asked them to do. They have suspended everything and called a halt to everything. They would like for the Board to make every effort to honor its commitments for the money that has already been paid.

Mr. Travous added that he believes the Board's decision to suspend contracts last month was the wise thing to do. It has given staff the time to figure out what is going on. By the time the 2004 budget is completed, staff may be able to work through all of this.

Ms. Madonna added that Game and Fish has returned \$20,000 to ASP. The other state agencies have until May 5 to wind down.

Ms. Stewart asked if there was anything to report on discussions of ways to continue working with them.

Ms. Madonna responded that staff are awaiting their paperwork. There are no current status reports from any of them at this time.

Ms. Stewart noted that at the last meeting the Board purposely terminated them effective a few days after today in case any of them indicated a desire to renegotiate something. She did not see anything in the materials provided that addressed that issue. There won't be another Board meeting prior to those dates. Her question is whether there have been any discussions about any other possible resolutions.

Ms. Madonna responded that those entities are not ready to enter into those discussions. They are still trying to ascertain where they stand on contracts and have not been able to talk to staff about what to do after this point.

Chairman Pfister asked if staff needed Board action relating to either May 5 or 20th.

Ms. Madonna responded that no action is necessary. The agreements terminate on those dates.

Ms. Stewart noted that there is a Board meeting on May 15 where the Board could do something with those that terminate on May 20th. However, the Land Department is facing termination on the 5th and it would require a special Board meeting if action is needed.

Mr. Winkleman noted that his staff person who is responsible for this issue has resigned and he, therefore, doesn't know where that leaves them at this time.

Chairman Pfister noted that it might be helpful if, as staff receive feedback from these entities, that information is sent to the Board via E-Mail.

Possible Changes to the FY 2003 Growing Smarter State Trust Land Acquisition Grant Award Date

Ms. Madonna reported this issue is related to timing for the Tumamoc Hill auction. She understands that the application for sale has been withdrawn by the UA, and therefore this would be a moot issue.

Mr. Winkleman confirmed the application has been withdrawn. He did not believe there is a need for Board action at this time.

Ms. Stewart noted that it appeared to her that there is a long time from when people submitted their materials and the time when the Board actually voted on grant awards. She wondered if there needs to be that length of time and whether the Board should consider, in the future, shortening that time for all of the grants. She also asked why there is such a long time involved in the process.

Ms. Madonna responded that this time around there were only three applications to consider under that program and it would have been possible to move up the timing. However, in regard to the other grant programs the Board has a number of Advisory Committees that work on each of those grant programs. The timing to complete the processes of review and rating and then go to the Advisory Committees for all the grants is what eats up all that time. It is not that any one program requires that much; but managing staff for the program as a whole is what draws it out into September.

Ms. Stewart asked if there are normally more than three applications on this program.

Ms. Madonna responded negatively. There are usually two or three applicants at a time for this program.

Ms. Stewart asked if the longer length of time is in case there are more applicants.

Ms. Madonna responded that staff try to do all the grants at one time so the Board is only reviewing grants at one meeting. That is why the Growing Smarter grant program waits until September.

Ms. Stewart noted that the Growing Smarter grant program has a longer period of time than the others.

Ms. Madonna responded that it is actually a shorter time period. The applications are received in March. The LRSP and Trails applications are received in February. The RTP and SLIF are received in December.

Mr. Travous added that it might be that staff know about them further ahead because the Land Department has to reclassify them. There is a lot the applicant has to go through before they submit their applications.

Mr. Porter asked if bringing all the grants to the Board at the same time results in some of the programs being delayed.

Ms. Madonna responded that they cannot begin their programs until their grants are awarded. However, the applicants build that into their initial project timelines before the application is even submitted.

Mr. Porter stated that he personally does not have any problem, in fact he would almost prefer, seeing some of these grant awards in smaller piecemeal among meetings over the course of the year than necessarily having it all presented to the Board at once. There is a lot to swallow all at one time.

Mr. Travous responded that their programs might be delayed a month or two. The reason the grants are awarded once a year is to bring some semblance of order to the process. There are a number of staff that, once the grants are awarded in September, spend their time putting together contracts, ensuring they are all in place, and then presenting the "big checks" when the contracts go out. In November/December staff are spending their time conducting the grant workshops and assisting applicants. During the spring the staff are gathering the grants, evaluating them, and taking them through the committees. There are five or six different grant programs and, therefore, staff's time are compartmentalized in order to get it through more efficiently. Awarding the grants at one time makes for more efficiency in utilizing staff's time.

2. Board Actions:

- a. Consider Adopting Revisions to the FY 2004 Local, Regional and State Parks (LRSP) Heritage Fund Rating Criteria** - Staff recommends the adoption of the revised LRSP grant rating criteria for use beginning with the FY 2004 grant application manual. AORCC unanimously concurred with this recommendation on April 10, 2003.

Chairman Pfister noted that Ms. Stewart had requested this item be placed on the Agenda for further discussion. The Board needs to take action on this item because there have been some suggested revisions to add more open space and natural areas descriptions. That information is listed in capital letters beginning on page 66 of the Board packet.

Ms. Madonna reported that the rating criteria staff is presenting to the Board has revisions that were in response to the Statewide Comprehensive Outdoor Recreation Plan (SCORP). The SCORP is required by the National Park Service in order for ASP to qualify for Land and Water Conservation Funds (LWCF). The LWCF program is run in conjunction with the local parks portion of the Heritage Fund.

Ms. Madonna reported that the rating criteria contained in this document is essentially the same as the criteria that was adopted for the 2001 grant cycle through a task force process. The Board appointed a representative, AORCC appointed a representative, and there were 10 other representatives from cities, counties, and tribes around the state. That group took a

six-month process of looking at the rating criteria and figuring out how to design the program to address both rural and urban concerns and recreation and open space issues - the focus of both of these funds.

Ms. Madonna reported that this criteria reflects that task force's work. Staff have made slight revisions to it for the 2002 grant cycle and now again for the 2003 grant cycle. There are changes on the first three questions that add "AND/OR PRESERVATION OF OPEN SPACE" into "Section I - Local Need". "Section B. Natural Resource Conservation" was also added.

Ms. Madonna stated that staff recommends that the Board approve these changes. AORCC unanimously recommends the Board approve this criteria.

Chairman Pfister asked why "Energy Conservation and Low-Maintenance Features" is given such a priority - is it from the funding source or that the committee felt those were important?

Ms. Madonna responded that that item has been a part of the rating criteria for some time. It was given greater importance through the task force process. They felt that if facilities were being built with public funds those facilities should be built in an environmentally-sensitive manner. Originally land acquisition was not included as a way to get points under that question.

Ms. Stewart stated that her concern, which she expressed back in October, was not that the words, "AND/OR OPEN SPACE" be added, but that the points criteria needed to be changed so that an open space acquisition project was eligible to receive the same number of points. Not more points - but the same number of points. It makes no sense to her that more points would be awarded to low-maintenance than to a project that doesn't require any maintenance. It seems as though there should be 13 points available for open space acquisition. The reason she originally brought it up was the SCORP. She understands it has been part of the criteria and that it's how it has been set up for a long time. In October, the criteria was slightly different. None of the 13 points was available for open space acquisition. Now 5 points are available.

Ms. Stewart stated she thinks it's time to think about changing our way of thinking. As a result of the SCORP, the information indicates that the communities' views of open space and the types of parks they want have changed. In referring to that document, people were asked what kind of parks they wanted. For the purposes of a survey, it was divided into four different types of parks. The first was the small, neighborhood park with just a few facilities such as a playground or basketball court. The second was a larger, multi-use park that has a variety of recreational facilities such as sports fields, courts, swimming pools, playgrounds, open grassy areas with trees and shrubs, restrooms, and sometimes an indoor recreation center. Encanto Park in Phoenix and Reid Park in Tucson were examples. The third type is the large park or recreation area that maintains the natural vegetation and wildlife habitat and includes a small number of amenities such as hiking trails and picnic or campsites and restrooms located on the outside perimeter (South Mountain Park and Tucson Mountain Park). The fourth type is referred to as open space and these areas can be larger or small, but are usually kept in a natural state with development limited to hiking trails. When asked which parks should receive the limited available funding, 43% of the households in Arizona surveyed preferred the larger, more nature-oriented receive funding. The highest percent was for the nature parks; 20% wanted the small neighborhood parks; 23% preferred open space; and 14% preferred large multi-use parks with lots of facilities.

Ms. Stewart stated that with the large nature oriented parks, the majority of the money in the project goes into acquiring the open space. There are restrooms, some trails, a parking lot, etc., around the perimeters. If that is added to the 23% that wanted the open space, it appears that 66% are saying there should be some priority on the acquisition of these nature oriented parks with open space. She is not saying the Board should not continue to fund the others because they are very important. But to say that if all one is doing is acquiring some natural open space that doesn't require irrigation an applicant cannot get the full 13 points does not seem right.

Ms. Stewart added that the Board needs to take into consideration that things have changed. Everyone is working on tight budgets now. People are buying things in phases. A piece of open space may be purchased with the intention of putting a trail on it later because the money is not there now. Perhaps there will be a need for a parking lot and a restroom next year. It would seem that conservation of the whole resource should be worth at least as many points as using conservation techniques such as drip irrigation and non-paved surfaces. Her point is that the criteria should provide that if a certain percentage of the project is natural open space 5 points would be awarded; if it's a greater percentage 8 points would be awarded; if it's up to a certain point 13 points would be awarded. That is not to make it difficult for anyone to compete; but just to make things more equal.

Chairman Pfister asked if Ms. Stewart has a recommendation on how this criteria should be altered.

Ms. Stewart responded that she had hoped not to that, but she could. She felt the criteria could be something on the order of 70-79% for 5 points; 80-89% for 8 points, and 90-100% for 13 points.

Chairman Pfister noted this criteria would be under "B. Natural Resource Conservation". She added that she has received E-Mails that went both ways. Some asked that the AORCC recommendation be maintained and some asked to include the open space.

Mr. Porter stated he agreed that a percentage breakdown is a good approach. Ms. Stewart's thought process on this issue is correct. It's like if they have an engine running they get so many points because it's low-fuel economy; but if there's no engine running and nothing at all is being done to damage the environment there is penalty imposed. It doesn't make sense.

Chairman Pfister asked whether AORCC had this kind of conversation.

Mr. Travous noted he is a member of AORCC and was at that meeting. He felt that AORCC did discuss those types of things. AORCC feels comfortable where they are. In the position he holds, he feels his main thrust must be to protect the process that brought this recommendation forward and recognize that the Board is part of the process. If the Board wishes to change the criteria it can do so. A process was followed to bring this criteria to this point. There were discussions. However, the Parks Board is part of the process, too.

Mr. Armer asked if, given that the input that has occurred and apparently since AORCC did meet and concur with this criteria, it would be possible to send this document back to them for consideration in view of the interest that has come in from the public to have them take another look at it. He asked if the timing would allow for it.

Ms. Stewart noted that she had sent her comments to AORCC.

Ms. Madonna responded there is time to do that. That is why staff brought this issue before the Board this early. This criteria does not need to be finished until November.

Mr. Travous added AORCC did have the benefit of Ms. Stewart's letter and did contemplate her position in their meeting.

Mr. Porter asked if, from Mr. Travous' recollections of those proceedings, AORCC already considered Ms. Stewart's position as well as the messages that have come in to the Board.

Mr. Travous responded AORCC did not see those other messages.

Mr. Porter noted some of those messages are pretty strongly worded. He wondered if time would be lost by sending it back to AORCC and whether they had pretty much made up their minds. He added that, ultimately, the Parks Board is the arbiter. The criteria is before the Board with AORCC's recommendation. Unless there is some reason it should go back to AORCC, perhaps the Board is just spinning its wheels by sending it back.

Mr. Travous responded that he did not think AORCC would change their position. He believes that if the Board has a different position then the Board should make its position known and send them a letter that says the Board appreciates their input but disagrees, take a vote, and move on.

Mr. Winkleman stated that makes complete sense. If this committee has considered the criteria and came out with something else, there must be a reason why. He asked what that might be.

Mr. Travous responded that the Board should be cautious. First, there are people serving on the committee who are more tuned into more intensive recreation than just open space. It would be colored that way. He heard some of those comments. The Board should also be cautious in how it uses the SCORP. While it is an overall plan of what is to be looked at, care must be taken in taking it to the lower level where it is making application. One of the things that is required in the set-up is that the people do public participation in their communities. The Board needs to be careful about being heavy-handed and saying what is needed in the local communities based on what SCORP says. When he worked in Utah they had a SCORP that said more swimming pools were needed. The City of St. George came out and said they needed swimming pools. The data indicated that in fact St. George had a large inventory of swimming pools. However, all those swimming pools were part of the hotels. There were no public pools there. Staff there had tried to extrapolate from an overall document to a local document.

Chairman Pfister noted SCORP is information for all of the grant programs - not one particular program.

Mr. Travous added that communities should use SCORP in their deliberations, and he believes they do.

Ms. Stewart stated she agreed with Mr. Travous' points, and stated that she would not be in favor of changing the rest of the structure that is there. She had hoped to avoid reaching this point by getting AORCC to do something. She doesn't think the Board has to worry about any negative impacts because the structure for all of the other types of parks still allows them to receive the maximum number of points as set by AORCC. All this does is set a schedule where the more nature oriented and open space parks will be able to compete fairly.

Mr. Porter suggested that Ms. Stewart may want to make a motion at this time to include scoring for open space in the criteria.

Mr. Travous noted that should the Board pass this motion and if it does create problems, they will be known as the cycle progresses. Grant criteria are modified all the time.

Ms. Stewart stated she did not believe this would change things much, but it might make a difference in one or two grants and enable them to compete.

Mr. Armer noted that this is the best example of why grants are not under the Rules process.

Board Action

Ms. Stewart: I move that, under "B. Natural Resource Conservation" in the LRSP Draft FY 2004 Grant Application Manual, 13 points will be awarded for the designation of undeveloped open space with natural vegetation that is not reliant on irrigation methods. At least 90% of the project area included in this application must be designated as open space to receive these points; 8 points will be awarded if at least 80-89% of the project area is designated as open space; 5 points will be awarded if at least 70-79% of the project area is designated as open space; and 0 points will be awarded if less than 70% of the project area is designated as open space.

Mr. Porter seconded the motion.

Mr. Winkleman asked for clarification on what grant awards this covers.

Ms. Stewart responded it is for grants awarded through the LRSP Heritage Fund and the LWCF.

Mr. Winkleman asked for examples of what has happened in the past or what might happen in the future.

Ms. Stewart explained that the only applicants who have been eligible for Growing Smarter are those acquiring State Trust lands. Frequently, groups will purchase land from private owners to put trails on. She believes that in the past these groups have not applied under this program because they have looked at the criteria. They have had to raise the money themselves or have had to search out non-ASP funding. This is the only source of funding the Board would have available for open space and nature oriented acquisitions that would not be purchasing State Trust Land.

Ms. Madonna noted acquisition can occur with less development (i.e., just a trail) with the other funds.

There being no further discussion, Chairman Pfister called for a vote on the motion on the floor. The motion carried unanimously.

Board Action

Mr. Armer: I move that the revised LRSP Heritage Fund grant rating criteria, as amended, be approved for use beginning with the FY 2004 grant application manual.

Mr. Porter seconded the motion. The motion carried unanimously.

Chairman Pfister asked that the Executive Director thank AORCC for their discussions and input.

The Chairman called for a Recess at 2:40 p.m.

The meeting reconvened at 2:50 p.m.

I. PARKS

1. Section report

Report on Roper Lake State Park

Mr. Mike Fernandez, Manager of Roper Lake State Park (RLSP), presented a slide show. He noted that a development program that began in June 2002 was finished in January of 2003. RLSP is in the southeastern corner of Arizona. The new Visitors Center is approximately 2,100 sq. ft. and includes restrooms, a conference room, and a lobby. To the right of the lobby a gift shop area will be installed as well as interpretive displays. This is a new building and perhaps a prototype for the future. He described plans for the lobby.

Mr. Fernandez reported that visitation and revenues for 2003 are down.

Mr. Fernandez reported that the RLSP staff has a combined total of about 75 years' experience.

Mr. Fernandez discussed construction at the Cottonwood Campground. This construction was contracted out.

Ms. Stewart asked if this project was funded through SLIF.

Mr. Ream responded this was a SLIF project that utilized 1998 SLIF money approved by this Board. Because of all the time spent at that time on Kartchner Caverns State Park (KCSP), this project was put on hold.

Mr. Fernandez reported that originally there were 20 campsites at RLSP and that 25 additional campsites added. It is expected that revenue will increase because of these additional campsites.

Mr. Fernandez reported money was put together through development amounting to \$2,000 to put up a building at Dankworth Ponds. Several years ago contractors estimated the price to put it up would be between \$8,000-\$12,000. RLSP staff completed the work for \$2,000 in five days. He discussed the handicapped fishing dock that was put up recently. The rails on the dock were done by RLSP staff for a cost of \$500 in materials. It is now completed.

Chairman Pfister asked if this is the park that is run under an agreement with Game and Fish.

Mr. Fernandez responded affirmatively. He noted that RLSP staff worked all summer clearing out the cattails from the lake. He expects that work will result in the return of the fishermen who stopped coming because there was no place for them to fish because of the cattails.

Mr. Fernandez reported that the KCSP crew built the East Mesa ramada last summer. On Easter it was rented out and the day use revenue amounted to about \$500. It is planned to be used as a revenue enhancement. Its capacity is approximately 200.

Ms. Stewart asked what types of events RLSP holds or anticipates holding.

Mr. Fernandez responded there will be a Family Day and a State Park Fair Day.

Mr. Porter noted that in about a year the Arizona State History Convention will be in Safford. Ms. Stewart has been designated as this Board's representative on the Convention Board. They would like to get RLSP involved in that process. He would like to have some sort of an outdoor barbecue as the opening.

Ms. Stewart noted people could camp there, too.

Mr. Fernandez responded that there is power and electric and water available.

Mr. Fernandez reported that the National Guard is part of their cooperative agreement. They assisted with the cattail removal and various other projects. There is a DARE program the park participates in - Hooked on Fishing. Every year the kids come out and fish at Dankworth Ponds. This program has been ongoing for more than 10 years.

Mr. Fernandez reported there is a nursery at the park where more than 300 mesquite trees were planted three years ago. More than 160 trees were put in at Cottonwood with the help of Safford Middle School. Staff plan to put in a drip system, which will result in a nice grove in a few years of mesquite growth. He noted that there is an agreement with BLM for a tour of the Indian Village.

Mr. Fernandez reported that there is an outdoor education center at Dankworth Ponds where children are taught various programs. Dankworth Ponds is a good place for families to take their children and fish and/or have a nice picnic. It is a beautiful day use park. He noted that one of the most important things is to have a safe and beautiful visit. The people who come to RLSP feel that they have come home. It is a destination.

Chairman Pfister asked if motorized boating is permitted on the park.

Mr. Fernandez responded there are no motorized boats on the lake. It is a great fishing lake.

Mr. Porter noted he is relatively new to the Board and has not yet had the opportunity to visit this park. He asked for some background on the lake.

Mr. Fernandez responded that in the 1960s Mr. Roper, a prospector, found his pot of gold. He had always wanted a lake, so he made this lake. It is an earthen dam. During the 1980s ASP took it over and in 1981 Game and Fish entered into a cooperative agreement with ASP. Dankworth Ponds was basically the same thing, except it was a fishery. It is Dankworth "Ponds" because there were ponds for catfish. In the early days people went there to fish and were charged a per-pound fee. ASP took it over as a day use area.

Mr. Porter asked what kinds of fish are stocked at RLSP.

Mr. Fernandez responded that during the winter months they have trout, blue gill, cropppy, and large-mouthed bass.

Ms. Hernbrode noted that ASP does not own the property at RLSP. Game and Fish own it. ASP has a long-term IGA that was recently renewed. ASP manages the park.

Ms. Stewart asked if most of the visitors are local.

Mr. Fernandez responded they have two seasons. During the winter they have a Snowbird season. The locals come to the park during the summer. They use the island and swim. Every season at RLSP has a different flavor. Something is always being changed. Their staff perform a lot of cosmetic changes throughout the year.

Lost Dutchman State Park

Mr. Bob Sherman, Manager at Lost Dutchman State Park (LDSP), presented a slide show. Mr. Sherman has been at LDSP since 1984. He thanked the Board for the opportunity to present his park to the Board and Ms. Murphy for helping with their PowerPoint presentation.

Mr. Sherman reported that LDSP began about 30 years ago with the BLM. The BLM originally took a half Section of land (320 acres) and developed what they called the Lost Dutchman Recreation Site. It was a day use site. They put a lot of money into building the infrastructure (including a primary electrical system throughout the park, a sewage treatment plant, two day use restrooms, ramadas, road, and fences). They did much of what is still in use today at the park. In 1977, the ASP Board acquired the majority of the property from BLM on the east side of Highway 88. BLM still owns a small section of land on the west side of Highway 88. ASP owns approximately 292 acres of the property. The property was acquired in 1977, when Wesley Bolin was Governor.

Mr. Sherman noted that when the BLM owned this site it was strictly a day use area with a gated entrance. Someone from town came out in the morning to open the gate and returned at night to close it. There was no one on-site to manage it. A lot of property was unattended. In 1977 BLM realized that they needed closer management to preserve what they had done and ASP was fortunate to have the opportunity to acquire the property. BLM was very thoughtful and long-term oriented when they grabbed this land at the base of the Superstition Mountains and preserved it for what is becoming today a somewhat limited access to the area. More and more access to the area has been removed.

Mr. Sherman reported that when ASP took over three parks rangers were placed onsite and developed the residence areas at that time. The gates are still used somewhat to keep people out at night. When the campground was developed there was 24-hour access to the park.

Mr. Sherman stated the park is located 5 miles north of Apache Junction on Highway 88, which is the Apache Trail noted on most scenic maps. Once the park was built a small gatehouse was built, which later became today's contact station. A 35-unit campground was developed and is now a rather popular campground.

Mr. Sherman noted the Tonto National Forest borders the park on two sides. LDSP was one of the first state parks to enter a US Forest Service partnership. It has worked out very well and developed what was known as the Lost Dutchman Trail System. In the mid-1980s the Forest Service recognized the need for a hiking trail system in the Superstition Mountains. The park utilizes that trail system and collects the revenues. Because of this trail system and its popularity with the public, additional seasonal and interpretive staff were added. The park offers moonlight hikes. An amphitheater has been developed for campfire programs and entertainment. Interpretative features have been added. They have excellent interpretive signs on the Discovery Trails within the park. They have developed group campsites with new amenities.

Mr. Sherman added that in 1997 a restroom/shower building was constructed. It is one of the nicest facilities of its kind in the country. There are plans to expand the campground. There will be new campsite loops adding 30-35 sites in the outer loops. The campground is full during the winter. This will allow more campers into the park and increase revenue. Electric sites will aid the park during the summer months, which is the slow season.

Mr. Sherman reported that the contact station built in 1982 is still in use today. There are discussions on improving it in order to get better use from this building to better serve the visitors to the park. Currently there is a gift shop and a lot of interpretation is conducted presently for the Forest Service, SRP, the lakes, and the history of the Apache Trail.

Mr. Sherman stated the fees are \$6 (day use) and \$12 (camping). Park staff have a combined total of approximately 76 years of experience. The day use area includes ramadas originally build by BLM, picnic areas, restrooms, and interpretive and hiking trails. The original campsites had no utilities/electricity. That will be remedied later this year. LDSP accommodates both tents and RVs.

Mr. Sherman reported revenues for this fiscal year will be about \$110,000. The average for the past 5 years has been \$140,000 per year. The best year was two years ago coinciding with the best flower bloom he has ever seen, and was \$210,000 in revenue. Attendance as remained constant. It appears it will be at about 50,000 this year. The average is 70,000-80,000. The best year had attendance in the area of 115,000.

Mr. Sherman noted it was very interesting to be at this meeting today, especially the discussions surrounding open space. There have been discussions of more parcels of land in the Superstition Mountains area that should be preserved. There is a push currently by the City of Apache Junction and the Forest Service to fence everything from the highway to the Superstition Mountains. There is very little access beyond the park.

Ms. Stewart noted that the County, at the request of a lot of residents bordering the Forest Service land, have closed roads to the public. There will be even more limited access in the future.

Mr. Sherman added the park is currently about 292 acres owned by ASP adjacent to the Forest Service. There are two parcels further south of Sections 29 and 30 that are yet to be developed. There is an organization in Apache Junction that hopes to purchase it in the future to provide more access. If it isn't purchased within the next 10 years LDSP may be the only way to get to the mountain.

Chairman Pfister asked if attendance was hurt when the fees were raised.

Mr. Sherman responded that he did not feel that was the case at this point. For the most part, people are willing to pay those fees. They do push the Annual Permit (\$45) and a lot of locals do purchase it.

Mr. Porter asked the same question of Mr. Fernandez about RLSP.

Mr. Fernandez responded that, while people have grumbled about it, they are paying the increased fee. When they come to the park they see the changes and improvements and they like them.

Ms. Stewart asked how many volunteers are at LDSP.

Mr. Sherman responded they have about 12 volunteers during the winter. There are generally 2 hosts who are residents and about 6 people coming in from town on a daily basis. They perform general maintenance and contact station interpretation. They have a new volunteer who is very interested in developed a better corps of volunteer.

Mr. Travous noted he received correspondence from the Parks Director of Idaho that the Chairman of his board toured LDSP and complimented the park on its beauty and great staff.

Report on Boyce Thompson Arboretum

Mr. Ray Dion presented a slide show. He reported that the history of the park was given earlier in this meeting. BTA became a park in 1929 when Boyce Thompson endowed it. Until 1966 it was a private entity. At that time the UA came in as a joint partner to create a desert biology station for the university. There is an abundance of wildlife and plant life on the park. In the mid-1970s ASP joined the partnership and created the tripartite agreement. Up until that time, BTA was not managed very well as a park and did not really become a public institution until ASP came on the scene and provided good visitor contact.

Mr. Dion noted their mission is to instill within the public an appreciation of plants through the fostering of educational, recreational, and research opportunities associated with arid land plants. He has been Park Manager for almost 15 years and believes in every part of that mission. He has worked diligently in each of those areas.

Mr. Dion noted that everyone looks at BTA as a pretty park. When the various levels of what it takes to manage an arboretum are unrolled, it takes a lot to manage it. Each one of the trees, bushes, shrubs, and flowers are catalogued, identified, and entered into a huge database. It takes constant upkeep to determine the health of the plants. There is a lot of money in research. It is biological research at the moment, although they are getting into the molecular end of it a bit.

Mr. Dion reported ASP staffing at BTA includes himself and one part-time person who works in the bookstore. The UA provides 1 full-time person (Dr. Feldman). There are approximately 40 staff who work there; 26 are full-time employees and the remainder are part-time employees - all paid for by soft money as discussed earlier. He referred to an organizational chart and explained ASP's role. The 25 employees he supervises are UA employees. His direct supervisor is Mr. Feldman, who works for UA. It does take a lot of cooperative effort.

Mr. Dion reported that the best year for attendance was 1997-1998 (95,000 visitors). This year's projection is 72,000 visitors. The average is 84,000 visitors. Like everyone else, this is not a great visitation year at BTA. The best year for revenue was \$692,540. This year's projected revenue is about \$600,000. The average revenue is about \$636,000.

Mr. Dion noted there is a new education building just east of this building, the Gloria Wing-Ong Children's Learning Center. The Gloria Wing-Ong family funded this development at a cost of approximately \$130,000. He discussed various types of research conducted at BTA. Water conservation is illustrated in the Australian exhibit. There is interpretive education along the trails. There is a garden that was created from a donation of \$150,000 from the Taylor Family.

Mr. Dion discussed various partnerships at BTA. Gloria Wing-Ong was a partnership, as were most of the capital development projects. The Rio Tinto-Kennecott Copper partnership was developed for the Superior schools. They are also providing financial assistance to continue that partnership. There is local community involvement. He sits on the Boards of the Superior Chamber of Commerce, Superior Historical Society, and the

Superior School Board. He believes it is important to have roots in the community and to let the community know that ASP is concerned about the community.

Ms. Stewart requested an explanation of the partnership with Cornell.

Mr. Dion responded Cornell is a sister institution. When Mr. Thompson set up BTA as a garden he set up that site as an institution to study plants at a molecular level. They have some very serious plant research being conducted there.

Mr. Dion reported that plant sales is one of their moneymaking processes. In addition to making money, people get to take plants home, enjoy them, and study them. If they encounter problems they call BTA for education. The plant program usually grosses about \$250,000-\$280,000 in plant sales alone.

Mr. Dion reported BTA conducts a lot of special events because it is what gets people to the park. It is a 60-90 mile drive to visit the Arboretum. There is African sculpture in the various gardens. There is a partnership with a gallery in Scottsdale to provide sculptures and they give 30% of the sales of any of their sculptures that BTA sells. There are a lot of events structured around the wildlife (birdwatching, reptile walks, etc.).

Mr. Dion reported they have approximately 60-70 volunteers who take care of all of the docent school groups. The volunteers generally arrive in October and stay until the end of April. They work in the bookstore, pulling weeds on the grounds, trimming trees, conducting construction around the park, and in all aspects of the operation of the park. BTA would be far behind if they did not have these volunteers.

Mr. Dion reported BTA is approximately 323 acres in size. The Forest service owns most of the adjacent land, except on the east, which is privately owned. That property was part of BTA originally but had to be sold off due to financial concerns and to keep the BTA in operation. The park enjoys a fair relationship with those private owners.

Ms. Stewart asked what the difference is between attendance on a weekend with an event and a weekend with no events.

Mr. Dion responded BTA picks up most of its visitation on the weekends. A weekend could go anywhere from 500 people up to 2,500, depending on the event. A regular weekend during the busy season is about 500-700. A special event pushes it well over that.

Special Events

Ms. Hawks reported the Volunteer Appreciation event at Red Rock State Park was a success. She thanked Mr. Hays, who acted as keynote speaker and Ms. Stewart for attending. There were 75-80 participants registered for this event. There was training in the morning, a speaker at lunch, and hiking in the afternoon.

Ms. Hawks distributed the Special Events calendar. She noted there are moonlight hikes and mountain biking. June 7 is National Trails Day. There will be events held at almost all of the state parks. There are fireworks and the Rubber Duck Race at Lyman Lake on July 5. Yurts are now available at Lyman Lake State Park for rental.

Kartchner Caverns State Park

Mr. Ream reported some of the Board members had an opportunity recently to tour The Big Room. This tour was scheduled in order to give the tour guides an opportunity to get in the

cave and conduct a tour. They had not received any real training for this tour. It was the first time some of them had ever seen The Big Room.

Chairman Pfister noted the guides did a really great job.

Mr. Ream responded that staff wanted to give them an opportunity to get into The Big Room before it is closed down for the summer and think about it over the summer. There will be additional mock tours in September and October.

Mr. Ream stated a strategic planning meeting is being scheduled to make a list of everything that needs to be done before the October opening. The lighting is complete. The lights have never been turned off for four months. This will be an opportunity to determine what will need to be done every year prior to opening up The Big Room after being closed for the summer.

Mr. Ream reported that the bat count stood at 5 as of Monday. As soon as the threshold of 50 bats is reached The Big Room will be closed. The only people who will go into that Room will be those who study the bats.

Mr. Ream noted that in the Discovery Center there is information on the world's longest soda straw. KCSP had the second-longest soda straw in the world, then it became the longest soda straw in the world, and now there are soda straws in Mexico that are 31'7" long. The soda straw at KCSP is about 26'. KCSP now has one of the longest soda straws in the world.

Mr. Armer noted that, from the recent tour of The Big Room, it appears to him the tour groups will need to be smaller than those for The Throne Room. He honestly believes there will be a need to restrict the age of the children on that tour. People are so close to those formations. He noticed a tour group coming out from The Throne Room that had some small children who should not have been on that tour. Staff will need to put some real thought into that.

Mr. Porter stated he agrees with Mr. Armer's statement. He was impressed at just how potentially at-risk that Big Room is. There are small steel protective cages here and there so people don't bump into the formation. It is that close. Some of those formations are incredibly fragile. There is not a lot of maneuver space.

Chairman Pfister asked if there is enough money in the proposed budget to open The Big Room in November.

Mr. Siegwarth responded affirmatively.

Mr. Ream reported that the Development Crew at KCSP has been reduced to 6 from a high of more than 50 at one time. Those 6 people will remain on the Development Crew through the summer to finish up projects such as the tram road that is under construction and other projects. There is secure funding for those 6 people through the end of the year. That crew will go back into The Big Room, pull the light bulbs, ensure the connections are correct, and get it ready to open. Potential problems are anticipated.

Hopi MOU Progress

Mr. Ream reported there was a meeting last week with representatives of the Hopi Tribe. The agenda of the meeting was to identify the goals of the anticipated partnership, identify the stakeholders, and discuss the need for a public process and how it would work. He

does not believe something will be available for this Board and its Chairman to sign by May. Anything that could be signed at that time would be almost useless. More work is needed. Staff anticipates bringing forward either an MOU or a Letter of Intent to continue working with the Hopi Tribe with more substance.

Chairman Pfister asked if there would be a meeting with the Hopi Tribe at the May meeting in Winslow.

Mr. Ream responded that a meeting is planned for the day before the Board meeting. Information that is being gathered will be formulated into another document to bring before the Board in May. It will probably not be a document requiring a signature, but at least detailing what the components of a partnership would entail.

Chairman Pfister asked if Chairman Taylor would be attending the May Board meeting to speak.

Mr. Ream responded that Chairman Taylor will certainly be invited, but he was not sure whether Chairman Taylor would attend or send representatives. Even though Winslow is only 60 miles from Second Mesa, it is a long 60 miles.

Ms. Stewart asked if there would be if a tour of the Mesa the Board didn't get a chance to visit.

Mr. Ream responded that there was talk about doing something the day after the Board meeting for those Board members who would want to stay. He will be in touch with them again to see if something can be put together.

Mr. Porter requested staff notify the Board as quickly as possible if something is going to be arranged so they can adjust their schedules accordingly.

Sedona Fire Department

Mr. Ream reported he spoke with the Chief and Assistant Chief of the Sedona Fire District and a meeting will be held on May 8. Participants will include representatives from ASP, Sedona Fire District, and the Forest Service. It is the Forest Service who really wants to have some sort of fire presence up there as well as the Sedona Fire District. The Forest Service has to be involved in discussions that will include ASP's site and other sites in the area. He wants to ensure they have explored everything up there before talking about using ASP land as an industrial area. It is not a busy fire department now, but the potential unknown. Staff have always cooperated with the Forest Service and allowed the park to be used as a landing area for their helicopters when needed.

Mr. Ream noted there was a discussion about their sharing funding for sewage treatment and water. Their funding includes them. The park's sewage needs are much greater than anything they can imagine. The park has 200,000 plus people per year all coming in three months. Of those three months, they come during 28 days (weekends only). There are ADEQ issues and a lot of other issues on that small piece of land to be worked through.

Dead Horse Ranch State Park Project Update

Mr. Ream reported that a groundbreaking was conducted at Dead Horse Ranch State Park (DHR) on April 3. This is the largest ASP construction project, excluding KCSP. It is a \$5 million project utilizing 1997 SLIF dollars. There were a number of obstacles besides KCSP, including endangered species and the creosote forest.

Mr. Ream reported that ground was finally broke on this project that will include approximately 17 acres of new fishing lagoons (triple the current capacity for fishing in that area). It will have 65 new electrical campsites, 2 new restroom/shower buildings, a new restroom building, and a large picnic area in an old grove of cottonwoods. The park will be hooked up to the city of Cottonwood's sewer system.

Ms. Stewart asked when the project will be completed.

Mr. Ream responded that the first phase of this project is 190 days (civil engineering). The second phase will be the restrooms, cabins, showers, etc. If all goes well, he expects the project to be complete next spring.

2. Board Actions:

- a. **Designation of Park Ranger Law Enforcement Officer** - Staff recommends that the Arizona State Parks Board designate Curtis Leslie as an Arizona State Parks Law Enforcement Officer, contingent upon his successfully completing the required two weapons qualification components.

Mr. Ream reported he attended the CARLOTA graduation last week. There were two cadets in the graduating class. For the third time in a row, an ASP cadet received the Duncan Award, the highest award given at the academy voted on by their peers and the staff. The recipient was Shawn Speaker (Lake Havasu State Park). ASP cadet Lyman Hanley (Fool Hollow State Park) received the high academic award.

Board Action

Mr. Porter: I move that the Arizona State Parks Board, pursuant to Title 41, Chapter 3, 41-511.09 ARS confer upon designate Curtis Leslie the full authority and powers of a Peace Officer for the protection of the Parks and Monuments against damage and for the preservation of peace therein, contingent upon his successfully completing the required two weapons qualification components.

Ms. Stewart seconded the motion. The motion carried unanimously.

Ms. Stewart suggested that anyone who is able to try to attend one of the CARLOTA graduations. It is quite impressive and informative in terms of what the Park Rangers go through.

The Board thanked the Park Managers for their excellent presentations.

J. ADMINISTRATION

1. Section report – Budget Update

Mr. Siegwarth distributed the legislative budget proposal. He stated that he is pleasantly surprised with it. This proposal is nearly identical to what they did in January. ASP's Operating Budget is the same as last year and it is the same as the Governor's budget. The issue is how they make up that funding to get there.

Mr. Siegwarth noted that because the budget is the same, what the agency has this year is what it has next year. There is no real crisis there. In the legislative budget the Enhancement Fund goal for the agency is only \$9.5 million. It may be doable. This year it is \$7.5 million. With luck, opening The Big Room at KCSP will get the agency within shouting distance of the \$9.5 million.

Chairman Pfister noted that, thanks to all the attention the Board has been getting, they have a clearer understanding of the budget. It is more realistic without all the phantom money.

Ms. Stewart added that the OHV situation may have brought home some of the issues that it's not just money sitting there but rather the money is committed.

Mr. Siegwarth noted there are some issues with how they arrived at the budget. The legislative fund sweep proposal went from \$178 million down to \$78 million. ASP is \$19 million of that \$78 million. They take \$4 million out of the OHV fund; everyone should know that there will only be \$1.8 million next year. Clearly, there are some problems with this budget that they should be aware of. That adds credence to the idea that they will pass a budget and come back in September and try to fix it.

Mr. Siegwarth noted they take \$10 million from SLIF, which hurts the agency. When they redo the watercraft survey in June, ASP may only get \$7.5 million. It remains to be seen whether that will open up another can of worms regarding contracts.

Ms. Stewart asked if the agency was planning to use SLIF to operate under that budget year.

Mr. Siegwarth responded that this is where it gets a bit complicated. Under the Governor's budget the agency would need to make \$12.8 million. Therefore, SLIF was necessary to plug that hole. This is a little more realistic. Therefore, SLIF may not be necessary to plug up a hole. By the same token, the current budget for SLIF is \$1.4 million. That is a good chunk of the Phoenix Office staff. The subject of using some grant money for operations may have to be broached again in 2004. It might be workable.

Mr. Siegwarth stated the big surprise is in taking \$10 million from the Heritage Fund in 2004 - \$5 million from ASP and \$5 million from Game and Fish. Staff met with the Governor's Office recently and were advised that the Governor's Office is still very supportive of not raiding the Heritage Fund.

Mr. Siegwarth reminded the Board this budget is for 2004. In September 2004 (Fiscal Year 2005) instead of having \$3.2 million for LRSP grants the Board would only have \$1.4 million. Instead of having \$500,000 for Environmental Education, the Board would only have \$200,000. The good news is that the agency has always tried to have a year's worth of money in advance. The money received this year will be spent next year. It might be manageable over a two-year period. He is not saying it's a good thing; he is saying at least there will be two years to manage this program and try to work through.

Mr. Siegwarth stated another issue is that they are taking most of the agency's capital money. The Heritage Fund will be the only remaining capital money. It would take the capital funding down to \$680,000. Staff say that about \$1 million worth of things in the system break every year that were unexpected. That will be somewhat problematic.

Mr. Siegwarth noted they are using the Land Conservation interest to help fund operations.

Ms. Stewart asked if there is any federal problem with that.

Mr. Siegwarth responded there is not.

Mr. Siegwarth stated that he does not see this budget proposal as catastrophic. It is not necessarily pretty. With the Governor's input on this proposal, it may turn out to be OK.

Mr. Porter noted that the General Fund Summary seems to indicate that ASP is one of the very few items anywhere in the budget that is not a reduction. It actually appears that the agency is receiving more than \$2 million more.

Mr. Siegwarth responded that this is where it gets confusing. In the last Special Session the legislature took all of ASP's General Fund money. This proposal appears to pretend the Special Session never happened. In essence, they are giving the agency its \$6.2 million back to take the General Fund to \$6.2 million. Then they are offsetting it with \$700,000 Growing Smarter Interest, which takes the General Fund down to \$5.5 million. Then they offset it with \$3.2 million of Enhancement Fund Capital, which takes it down to \$2.3 million. When all is said and done, ASP will receive \$2.3 million in General Fund money, \$700,000 and the capital money and the Enhancement Fund. The numbers will be the same. One really needs to look at the fund sweeps and the loss in interest. Growing Smarter will probably yield \$1 million. There is a \$300,000 budget. Therefore, \$700,000 will either go to programs or be used for operations.

Chairman Pfister noted this was the idea staff came up with last year that that legislature would not accept, but now this legislature accepts it.

Mr. Siegwarth stated that SLIF will have to be discussed in the future, as well as what it means to the Heritage Fund, whether there will be enough money to run the grant programs.

Mr. Porter stated that it makes him nervous because some at the legislature could look at this proposal and say ASP is getting \$2.7 million more than they did in 2003 and ask why it's not being cut.

Mr. Siegwarth agreed that that discussion will probably take place.

Chairman Pfister stated it would be helpful for staff, as they get a better understanding of this proposal, to get something out to the Board. She would like to activate the E-Mail list to reinforce what is really happening.

Mr. Porter noted it almost looks like a set-up. It looks like it is ignoring the Special Session. That's easy to do. Then later, when everyone is scrutinizing it, coming back and saying ASP got an increase and cut it back to it they was getting before.

Ms. Stewart asked how much is actually needed to operate the parks system.

Mr. Siegwarth responded the agency needs \$19 million just to operate the system.

Ms. Stewart noted that amount does not cover the \$1 million or so to cover things that break and need to be repaired.

Mr. Siegwarth stated that is correct. The \$19 million also does not include operating the grants programs. It is really just people.

Ms. Stewart noted that the agency then needs at least \$1 million to keep the infrastructure running and cover things that cannot be anticipated. To keep the doors open the agency really needs \$20 million.

Mr. Siegwarth responded affirmatively.

Mr. Porter noted he is very nervous about this proposal.

Chairman Pfister requested staff to come up with a "Cliff Notes" version of a summary and where the potential problems might be for the Board members to be able to communicate while keeping to truth in budgeting. The Board was able to effectively communicate the last time they were trying to add things they shouldn't have.

Mr. Siegwarth responded he would be happy to do so. He noted staff still support the Governor's budget. Additionally, when they finally realize there is not \$4 million in OHV, the question becomes will they come after this agency or look for the money elsewhere. Things could get worse if they try to keep it just within ASP.

Chairman Pfister stated that is what she wants to be able to communicate quickly enough to ensure that as this gets discussed in the legislature accurate information is there.

Mr. Porter noted that there are rumors that they are afraid to really address the budget deficit issue and will shove something through that is filled with a lot of pabulum and, once it becomes clear that it is a disaster, they will come back and start chopping. He sees ASP as a major head on the chopping block.

Ms. Stewart noted another problem she sees is that they have the \$10 million Heritage Fund. She believes there are enough people who will complain about it that they will likely back off of taking the Heritage Fund. Then they will look for where else they can get the money from. Her concern is that instead of just getting \$5 million from ASP somewhere they would take the entire \$10 million from ASP like they did the first time around. It will need to be made clear to people fighting to save the Heritage Fund that they have to look at ASP's entire budget.

Mr. Porter noted that is a problem with the agency's complicated structure. It is so easy to sugar coat a knife to where it's very hard to get the public to understand what they have done. The Board has proven that it can generate a lot of support.

Ms. Stewart added that it would be helpful for staff to supply the Board with answers to questions such as Mr. Porter asked regarding that fact it looks like ASP is one of the few agencies on this budget that actually wasn't cut but got an increase. It would be good for the Board to have the answers as to what that really means and why it is misleading.

Mr. Porter suggested that if a someone in his region gets a copy of that page and congratulates him on coming out so far ahead of 2003, he needs to be able to explain why it's not what it looks like.

K. BOARD COMMENTS, REQUESTS AND ITEMS FOR FUTURE AGENDAS

Chairman Pfister requested the Sonoita Creek Groundbreaking be included on the next Agenda.

Ms. Stewart requested a report on Lyman Lake at the May Board meeting.

Mr. Porter requested a report on the fire danger, especially at San Rafael.

Chairman Pfister requested the results of the Employees Survey be included on the May Agenda.

Mr. Travous noted Mr. Armer will be leaving the Parks Board very soon. He, staff, and the Board presented Mr. Armer with a poem. He added that Mr. Armer will be presented with a Lifetime Pass to the Arizona state parks.

Mr. Armer stated that he has very much enjoyed his six years on this Board. He noted that he would not be able to attend the May 15 meeting in Winslow and expressed his opinion that the Senate would likely approve Mr. Cordasco's appointment prior to the July Board meeting.

Mr. Armer added that he was recently asked what he considered to be the highlights and lowlights of the six years he served on this Board. The highlight is no surprise. He is as suspicious or dubious of government as anyone is, and maybe more so than most. The highlight of the past six years, with one exception, has been the ASP employees - from top to bottom. He has been so impressed by the dedication and enthusiasm of staff from the lowest to the highest levels.

Mr. Armer stated that he felt the lowlight was the purchase of Spur Cross. It was such a waste of effort and time for something the Board was not concerned about to begin with. For the thanks the Board received for it in the end, it really wasn't worth it.

Mr. Armer thanked everyone and stated it has been his pleasure serving on this Board. He urged the Board to keep up the good work.

Mr. Porter noted that he left the board of the Arizona Historical Society after 15 years' of service, vowing he would never go back. He ended up going back on their board in 2001. At their first board meeting in Yuma he was approached by Mr. Armer, who suggested he submit his name for consideration to the Parks Board.

L. TIME AND PLACE OF NEXT MEETING

Chairman Pfister stated the next Board meeting will be May 15, 2003, in Winslow, Arizona.

M. ADJOURNMENT

There being no further business to come before the Board, Mr. Armer made a motion to adjourn the meeting. Mr. Hays seconded the motion. The motion carried unanimously. The meeting was adjourned at 3:30 p.m.

N. DINNER WITH BTA BOARD - Time Certain 6:00 p.m. at the Arizona Golf Resort in Mesa, AZ

Some members of the Parks Board and staff joined the BTA Board for dinner. No business was discussed.

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Kenneth E. Travous, Executive Director

APPROVED

Suzanne Pfister, Chairman